



Department of Planning, Building and Code Enforcement
200 E. Santa Clara Street
San José, California 95113-1905

Hearing Date/Agenda Number:
P.C. 11/08/06 Item: 7b2

File Number:
GP05-08-01A

Council District and SNI Area:
8 / West Evergreen

Major Thoroughfares Map Number:
84, 85

Assessor's Parcel Number(s):
670-20-071; 670-24-013, -045;
670-25-027; 670-29-002, -017, -
020

Project Manager: John W. Baty

GENERAL PLAN REPORT

2006 Fall Hearing

PROJECT DESCRIPTION:

General Plan amendment request to change the Land Use/Transportation Diagram designation from Public/Quasi-Public, Medium Low Density Residential (8.0 DU/AC), Office, Industrial Park and Public Park and Open Space with Mixed Use Overlay to Mixed Use with no Underlying Land Use Designation

LOCATION: South side of Quimby Road, 1000-feet westerly of Capitol Expy

ACREAGE: 81

APPLICANT/OWNER:

Arcadia Homes, Inc.

GENERAL PLAN LAND USE / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Public/Quasi-Public, Medium Low Density Residential (8.0 DU/AC), Office, Industrial Park, Public Park and Open Space

Proposed Designation: Mixed Use with No Underlying Land Use Designation

EXISTING ZONING DISTRICT(S): R-1-8 Residence, CO – Commercial Office

SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: Commercial (Eastridge Mall) / Regional Commercial

South: Public Park (Meadowfair), School (LeyVa Middle School) and Mobile Home Park / Public Park and Open Space, Public/Quasi-Public and Medium Low Density Residential (8.0 DU/AC)

East: Industrial / Industrial Park

West: Single-family Detached Residential / Medium-Low Density Residential

ENVIRONMENTAL REVIEW STATUS:

Evergreen•East Hills Vision Strategy Environmental Impact Report pending certification on November 8, 2006.

PLANNING STAFF RECOMMENDATION:

Mixed Use with No Underlying Land Use Designation

Amend Appendix F – Mixed Use Inventory

Medium Low Density Residential (8.0 DU/AC) and Transit Corridor Residential (20+ DU/AC) for up to 1,875 dwelling units; General Commercial, 150,000 to 300,000 square feet; Public Park and Open Space, 12 acres, plus 2 acres if community center not combined with school; Public/Quasi Public approximately 10 acres or more for a new elementary school and community center, assuming joint agreement

Approved by:

Date:

Stanley K. Kistner
Nov. 2, 2006

PLANNING COMMISSION RECOMMENDATION:

CITY COUNCIL ACTION:

CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:

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GENERAL CORRESPONDENCE:

See attachments to the Evergreen Development Policy Staff Report for general correspondence.

ANALYSIS AND RECOMMENDATIONS:**RECOMMENDATION**

Planning staff recommends the Planning Commission forward to the City Council the following recommendation:

Amend the General Plan Land Use/Transportation Diagram on the Arcadia site as follows:

- Mixed Use with No Underlying Land Use Designation, incorporating the following: Medium Low Density Residential (8.0 DU/AC) and Transit Corridor Residential (20+ DU/AC) for 1,500 to 1,875 dwelling units; General Commercial, 150,000 to 300,000 square feet; Public Park and Open Space, 12 acres plus up to 2 acres if the community center is not combined with school; Public/Quasi-Public, approximately 10 acres or more for an elementary school and community center, assuming joint agreement.

Should the Planning Commission not support the proposed Evergreen Development Policy update and prefer that these development opportunities be considered as part of the upcoming General Plan update, then the Planning Commission should forward to the City Council a recommendation of no change to the General Plan.

PROJECT DESCRIPTION

The proposed General Plan Amendment being considered for this site (also referred to as the Arcadia Site) is part of the larger Evergreen•East Hills Vision Strategy (EEHVS) project. The EEHVS project includes a proposed update to the Evergreen Development Policy (EDP), proposed General Plan Land Use/Transportation Diagram changes on four sites, Arcadia: subject amendment, and three other sites (Pleasant Hills Golf Course: GP05-08-01B; Campus Industrial: GP05-08-01C, D and E; and Evergreen Valley College: GP05-08-01F), and proposed General Plan Text Amendments. Individual staff reports

for each amendment have been prepared, which include additional project descriptions, background information and analysis.

General Plan Amendment (GP05-08-01A)

This report analyzes the General Plan amendment proposing conversion of the 81-acre Arcadia site designated Public/Quasi-Public, Medium Low Density Residential (8.0 DU/AC), Office, Industrial Park and Public Park and Open Space.

The EEHVS Task Force process resulted in the following alternative proposals for a specific mix of uses and ranges of development intensity.

Developer Proposal

- Medium High Density Residential (12-25 DU/AC) and Transit Corridor Residential (20+ DU/AC) for up to 1,875 dwelling units
- General Commercial, up to 150,000 square feet
- Public Park and Open Space, 12 to 18 acres

Task Force Alternative Proposal

- Medium High Density Residential (12-25 DU/AC) and Transit Corridor Residential (20+ DU/AC) for up to 1,800 dwelling units
- General Commercial, up to 100,000 square feet
- Public Park and Open Space, 14 acres
- Public/Quasi Public for a new elementary school and community center

Staff Recommendation

- Transit Corridor Residential (20+ DU/AC) and Medium Low Density Residential (8.0 DU/AC) for up to 1,875 dwelling units
- General Commercial, 150,000 to 300,000 square feet
- Public Park and Open Space, 12 acres plus 2 acres if community center not combined with school
- Public/Quasi-Public, approximately 10 acres or more for a new elementary school and community center, assuming joint agreement

Both alternative proposals and staff's recommendation would apply the Mixed Use with No Underlying Land Use Designation to the site as a vehicle for allowing the parameters of development to be clearly defined while allowing a certain degree of flexibility in how the development is ultimately implemented. This designation would be applied to whatever final mix of uses is approved by the City Council. When the Mixed Use with No Underlying Land Use Designation is proposed, a description of the proposed types of uses and intensity ranges to be allowed on the site is included in a General Plan text amendment for inclusion in the Mixed Use Inventory, Appendix F of the General Plan.

Planned Development Rezoning

A corresponding Planned Development Rezoning application (File No. PDC05-050) has been filed concurrently, which would implement the developer's proposal for the General Plan Amendment. The applicant's proposed General Plan Amendment and Planned Development zoning would allow development of up to 1,875 single-family attached and multi-family attached residences, up to 150,000 square feet of commercial/office and up to 18 acres of public open space. The approximate net density would fall in the range of 25 to 50 dwelling units per acre. The pending Planned Development Rezoning application is not being considered at this time and is anticipated to be heard by the Planning Commission and City Council in Spring 2007.

BACKGROUND

Evergreen•East Hills Vision Strategy

The subject site is located within the Evergreen Development Policy area. The Evergreen Development Policy (i.e., traffic policy) is currently being proposed to be updated to allow additional development beyond what is currently allowed under existing policy. The policy must be revised in order to allow this General Plan Amendment and Text Amendment to move forward.

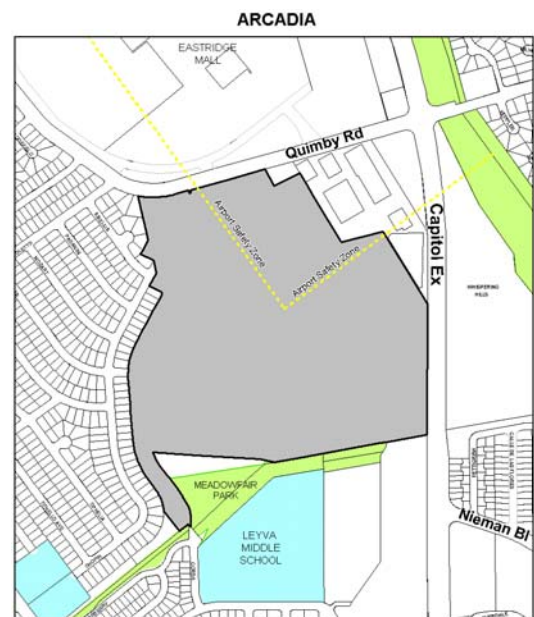
The purpose of the Evergreen•East Hills Vision Strategy (EEHVS) planning effort is to guide infill development in the Evergreen and East Hills area to create housing in balance with transportation improvements and community amenities, with the overall goal of enhancing quality of life in the area. Inherent in this complex balance of new development and improvements are a series of policy trade-offs such as residential densities, industrial conversion and affordable housing.

As mentioned above, this proposed General Plan Amendment is being considered as part of the overall EEHVS project, which includes proposed General Plan Amendments on three other sites and a package of transportation improvements and community amenities. For more background on the EEHVS project, including discussion related to the delicate balance between proposed development and the ability to fund required transportation improvements and community amenities, see the Evergreen Development Policy staff report.

Site and Surrounding Uses

The subject site is currently vacant and lies south of the Eastridge Mall. The site has frontage along both Quimby Road and Capitol Expressway. The General Plan designates Quimby Road as an Arterial and Capitol Expressway as a Transit-Oriented Development Corridor. The site is also located approximately 2,600 feet south of Reid-Hillview Airport.

The existing land uses surrounding the site include: Eastridge Mall across Quimby Road to the north, Meadowfair Park, Leyva Middle School and a mobilehome park to the south; Industrial Park uses to the east; and single-family detached residential to the west. The site is located within a Redevelopment Project Area of the City and within the West Evergreen Strong Neighborhood Initiative area. Additionally, an approximately 12-acre portion of the site is located within the airport approach zone for the Reid-Hillview Airport.



The existing Mixed Use Overlay designation on the subject site allows for development that is consistent with the current underlying base designations of Medium Low Density Residential (8 DU/AC) on 34 acres, Office on 10 acres, Public/Quasi-Public on 12 acres, Industrial Park on 23 acres, and Public Park/Open Space on 2 acres. Descriptions of these designations are provided below:

- Public/Quasi Public. Intended primarily for public uses such as schools, colleges, libraries, fire stations and governmental offices. Public/Quasi Public lands may also be used by some private entities, including public utilities and churches.
- Medium Low Density Residential (8.0 DU/AC) designation is typified by single-family detached residential development on 6,000 square foot lots. Smaller detached patio homes and single-family attached residences are also appropriate in this category.
- Office, which allows business and professional offices. Retail and other commercial uses may be allowed only as secondary uses in a larger office development. Typically the type of development allowed in this category is of low intensity in order to be compatible with surrounding uses.
- Industrial Park allows for a wide variety of industrial users such as research and development, manufacturing, assembly, testing and offices. Any functional or operational characteristics of a hazardous or nuisance nature must be mitigated through design controls.
- Public Park and Open Space is applied to lands that are publicly owned and devoted, for the most part, to open space uses such as City parks.

ANALYSIS

The Analysis section of the staff report addresses the following: 1) a comparison of the key distinctions between the alternate proposals and Staff Recommendation, and 2) the key policy issues raised by the proposed change of the General Plan from the existing Public/Quasi-Public, Medium Low Density Residential (8.0 DU/AC), Office, Industrial Park, and Public Park and Open Space designations to a range of residential, commercial, and public/quasi-public uses, as described in the alternate proposals from the Developer Group, the Task Force and the Staff Recommendation.

Comparison of Alternate Proposals and Staff Recommendation

Land Use Category	Developer Proposal	Task Force Proposal	Staff Recommendation
Residential Designations	MHDR (12-25) on 14 acres TCR (20+) on 35 acres	MHDR (12-25) on 40 acres TCR (20+) on 15 acres	MLDR (8 DU/AC) on 6 acres TCR (20+ DU/AC) on 33 acres
Commercial/office	150,000 sf	100,000 sf	150,000 to 300,000 sf
Public/Quasi-Public	0 acres	10 acres for school and community ctr.	10+ acres for school and community ctr. assuming joint agreement

The key distinction between the proposals is the amount of planned commercial/office square footage and the amount of proposed Pubic/Quasi-Public.

The commercial/office space proposals include 100,000 square feet (Task Force), 150,000 square feet (developers) to between 150,000 and 300,000 square feet (staff's recommendation). As described below, staff analysis has concluded there is sufficient demand to support 300,000 square feet of

commercial/office use. The Task Force proposal for 100,000 square feet of commercial/office is primarily based on neighborhood concerns with increased traffic.

The variations in proposed Public/Quasi-Public result from the lack of inclusion in the developer's proposal of land reserved for a future school, whereas the Task Force proposal and staff recommendation ensure that land is specifically reserved for a future public school.

The two alternative proposals and staff's recommendation are very close in terms of number of dwelling units. The distinction is in the residential designations. The alternative proposals and staff's recommendation are proposing lower densities on the western portion of the site to address compatibility concerns with the adjacent single-family neighborhood. The different residential densities suggest a range of possible product types from single-family detached (staff's recommendation) to townhouse units (alternative proposals).

Each proposal sets aside approximately 12 acres of Public Park and Open Space reflecting the Reid-Hillview Airport Safety Zone requirements of the Santa Clara County Airport Land Use Commission.

The Task Force alternative proposal and staff's recommendation address the community desire and Evergreen Elementary School District's identified need for a new K-6 elementary school. The Task Force alternative recommendation also identifies the need to ensure that a new community/youth center/gym, consistent with the West Evergreen SNI Improvement Plan, is constructed adjacent to the existing Meadow Fair Park.

Key Policy Issues

Consistency with the *San Jose 2020 General Plan Major Strategies, Goals and Policies*

The *San Jose 2020 General Plan Major Strategies, Goals and Policies* provide the "vision" for San José, particularly related to its future growth and development.

Economic Development Major Strategy, Goals and Policies. The proposed amendment to convert the vacant Arcadia site to Mixed Use with No Underlying Land Use Designation is consistent with the Economic Development Major Strategy, Goals and Policies.

The City's economic development strategy strives to make San Jose a more "balanced community" by encouraging more commercial and industrial growth to balance existing residential development, by creating an equitable distribution of job centers and residential areas, and by controlling the timing of development.

Economic Development Policy No. 1 seeks to reduce the City's jobs/housing imbalance. San Jose continues to be a housing rich community, providing and producing much of the housing growth in the County. While the City continues its efforts to facilitate housing for all segments of the population, it must also be able to foster economic development that helps generate employment opportunities for its residents. The proposed creation of up to 300,000 square feet of commercial/retail space would result in the creation of commercial and office jobs in balance with the development of a substantial amount of new housing.

Staff's recommendation for between 150,000 and 300,000 square feet of commercial/office on Arcadia is consistent with a City commissioned study that indicated strong demand for up to 300,000 square feet of specific types of retail that are currently lacking in the area, such as small shops, restaurants and

upscale grocery (e.g., Trader Joe's, etc.). Staff believes that maximizing retail opportunities on this central site, close to transit and future Light Rail would capture/internalize vehicle trips that otherwise would leave the area for other shopping centers and add congestion to the local roadways/gateways.

Growth Management and Greenline/Urban Growth Boundary Major Strategies. The proposed amendment is consistent with the City's growth management and Greenline/Urban Growth Boundary major strategies in that the subject site is within the Urban Growth Boundary and Urban Service Area. The proposed mix of jobs and housing would add new development to an area with existing and planned infrastructure.

Housing Major Strategy and Residential Goals and Policies. The proposed amendment is consistent with the Housing Major Strategy in that it would provide additional opportunities for housing development within the City's Urban Service Area and the density range of the proposed amendment would likely result in a variety of housing types that are currently lacking in the Evergreen area. The City's housing policies encourage a variety and mix of housing types to provide adequate choices for housing to persons of all income levels. Because the site is located within a Redevelopment Area a minimum of 20% of the proposed units are required to be affordable. The addition of affordable housing to the Evergreen area would help to address the City's goal of making affordable housing opportunities available throughout the City.

As stated above, the subject site is located along the Capitol Expressway Transit Oriented Development Corridor and the planned Capitol Corridor light rail extension. The proposed amendment is consistent with the Residential Goals and Policies that encourage development of high-density residential and supportive mixed use along Transit Oriented Development Corridors.

Sustainable City Major Strategy and Balanced Community Policies. The Sustainable City Strategy is a statement of the City's commitment to becoming an environmentally and economically sustainable city. Balanced Community Policy No. 1 states that the City should foster development patterns which will achieve a whole and complete community in San Jose, particularly with respect to improving the balance between jobs and economic development on the one hand, and housing resources and a resident work force on the other. The proposed amendment would be consistent with the Sustainable City strategy Balanced Community policies in that jobs would be created and the proposed housing would be of a variety that is currently lacking in the Evergreen area. The site is also located in close proximity to the Eastridge Mall transit center and along the Capitol Expressway light rail corridor.

Consistency with the Framework Criteria

The *Framework, as a Guideline, for Evaluating Proposed Conversions of Employment Lands to Other Uses (Framework)*, divides the City's inventory of industrial areas into three categories: 1) subareas to promote or facilitate conversion; 2) subareas to consider for conversion under certain circumstances; and 3) subareas to preserve for Driving and Business Support industries.

The Industrial Park designated land on Arcadia falls under the second category, to be considered for conversion only in certain circumstances. In this category of the *Framework*, the City Council added that in the, "Evergreen Industrial Area: Consider uses only if recommended through the Evergreen Smart Growth Strategy process". The Evergreen Smart Growth Strategy process was renamed the Evergreen•East Hills Vision Strategy (EEHVS) with the formation of a community-based Task Force in June 2005.

The EEHVS Task Force process discussions related to industrial retention focused on the Campus Industrial site. No proposals were brought forward that specifically identified retention of the Industrial Park designation on the Arcadia site.

Consistency with the City Council's *Vision and Expected Outcomes*

On June 21, 2005 the City Council adopted ten Vision and Expected Outcomes for the Evergreen•East Hills Vision Strategy (EEHVS) process. The Vision and Expected Outcomes apply to the overall EEHVS project including the proposed General Plan Amendments and updated Evergreen Development Policy (EDP). The updated EDP is the policy vehicle for ensuring overall consistency with the Vision and Expected Outcomes. Detailed analysis regarding consistency with the Vision and Expected Outcomes is discussed in the staff report for the EDP.

Consistency with the Santa Clara County Airport Land Use Commission's Land Use Plan for Areas Surrounding Santa Clara County Airports

As mentioned above, the site is located approximately 2,600 feet south of Reid-Hillview Airport. An approximately 12-acre area in the northeast part of the site is located within a designated airport safety zone. According to the Land Use Plan for Areas Surrounding Santa Clara County Airports, uses allowed within this safety zone are non-residential uses with low population density (maximum 10 persons per acre on an annual average, with a maximum of 25 persons per acre at any one time).

In each of the alternatives the 12-acre portion of the site within the safety zone is proposed to be designated Public Park and Open Space. At the meeting held on, November 16, 2005, the Airport Land Use Commission determined that development of the site would be consistent with its adopted Land Use Plan.

PUBLIC OUTREACH/INTEREST

- ☐ **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- ☐ **Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- ✓ **Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

As described in the public outreach section of the EDP staff report this project has conducted public outreach and community involvement that extends beyond the requirements of Council Policy 6-30: Public Outreach for Pending Land Use and Development Proposals.

COORDINATION

As part of the EEHVS, Planning staff works closely with representatives of the many City Departments and Offices, including, but not limited to the Public Works, Transportation, Finance, Library and Park, Recreation & Neighborhood Services departments, along with the City Attorney's Office. The preparation of this report was coordinated with the City Attorney's Office.

CEQA

An Environmental Impact Report (EIR), entitled *Evergreen East Hills Vision Strategy Project*, was prepared for the proposed Evergreen East Hills Vision Strategy and provides both program level and project level environmental review appropriate to address and evaluate the environmental impacts of the project appropriate for the adoption of the proposed General Plan amendments, modification of the Evergreen Development Policy, funding agreement, and subsequent Planned Development (PD) rezonings. The Draft EIR was circulated for public review and comment from February 3, 2006 to March 20, 2006.

The DEIR analyzed the EEHVS project and its environmental setting, identified potentially significant environmental impacts, and proposed mitigation measures to reduce significant impacts to less than significant levels where possible, for the following issues:

- | | |
|------------------------------|--|
| 1. Land Use | 9. Geology |
| 2. Transportation & Traffic | 10. Energy |
| 3. Noise | 11. Utilities and Service Systems |
| 4. Biological Resources | 12. Population, Jobs & Housing |
| 5. Cultural Resources | 13. Hazards & Hazardous Materials |
| 6. Hydrology & Water Quality | 14. Availability of Public Facilities & Services |
| 7. Air Quality | 15. Alternatives to the Project |
| 8. Visual & Aesthetics | 16. Cumulative Impacts |

The DEIR identifies certain impacts as "Less-than-Significant with Mitigation" with applicant-proposed mitigation regarding: Transportation & Traffic; Noise; Air Quality; Cultural Resources; Biological Resources; Geology; Hydrology & Water Quality; Hazards & Hazardous Materials; and, Visual & Aesthetics.

An EIR conclusion of, "Significant Unavoidable Impact" assumes that a project impact would exceed the City's significance thresholds even with changes or mitigations included in the project.

The DEIR identifies as a, "Significant Unavoidable Impact" certain project impacts on: Land Use; Transportation & Traffic; Noise; Air Quality; Visual & Aesthetics; Energy; and, Population, Jobs & Housing.

The EIR identifies, "Significant Unavoidable Cumulative Impacts" for the project's impacts on: Transportation & Traffic; Noise; Air Quality; Biological Resources; Visual & Aesthetics; and, Energy.

For certain of the project's impacts on: Biological Resources; and Energy the EIR concludes, "Unless Mitigation is Determined to be Feasible & Made a Condition of Approval, Impact will be Significant & Unavoidable".

Site Specific Project Impacts

Development of the subject site will result in a significant loss of burrowing owl habitat. No mitigation measures are being proposed as part of this project, therefore the impact would be significant and unavoidable.

CONCLUSION

On balance, this site has the most value for intensification of urban development. Staff's recommendation achieves the same number of dwelling units as the developer's proposal and maximizes the commercial/office development potential, plus providing open space and public/quasi-public for a school and community center.

Planning staff recommends the Planning Commission forward to the City Council the following recommendation:

Amend the General Plan Land Use/Transportation Diagram on the Arcadia site as follows:

- Mixed Use with No Underlying Land Use Designation, incorporating the following: Medium Low Density Residential (8.0 DU/AC) and Transit Corridor Residential (20+ DU/AC) for 1,500 to 1,875 dwelling units; General Commercial, 150,000 to 300,000 square feet; Public Park and Open Space, 12 acres plus up to 2 acres if the community center is not combined with school; Public/Quasi-Public, approximately 10 acres or more for an elementary school and community center, assuming joint agreement.

Should the Planning Commission not support the proposed Evergreen Development Policy update and prefer that these development opportunities be considered as part of the upcoming General Plan update, then the Planning Commission should forward to the City Council a recommendation of no change to the General Plan.

Attachments

cc:

Staff Recommended Text Amendment

Amend Appendix F, Mixed Use Inventory, page F-7:

Map Reference Number	Location	Amendment File Number	Use Mix	Use Intensity Range
<u>MU#19</u>	<u>South side of</u> <u>Quimby Road,</u> <u>1,000 feet</u> <u>easterly of</u> <u>Capitol Expwy.</u>	<u>GP05-08-</u> <u>01A/GPT05-</u> <u>08-01</u>	<u>Medium High Density</u> <u>Residential (12-25 DU/AC)</u>	
			<u>Transit Corridor Residential</u> <u>(20+ DU/AC)</u>	<u>1,500 to 1,875 Dwelling Units</u>
			<u>General Commercial</u>	<u>150,000 to 300,000 square feet</u> <u>of commercial/retail/office</u>
			<u>Public Park & Open Space</u>	<u>12 acres, plus up to 2 acres if</u> <u>the community center is not</u> <u>combined with the school</u>
			<u>Public/Quasi-Public</u>	<u>Approximately 10 acres or</u> <u>more for an elementary school</u> <u>and community center,</u> <u>assuming joint agreement</u>